Adopted Rejected

COMMITTEE REPORT

YES: 26
NO: 0

MR. SPEAKER:

Your Committee on ***Ways and Means***, *to which was referred* *House Bill 1868*, *has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill* ***be amended*** *as follows:*

Page 2, between lines 31 and 32, begin a new paragraph and insert the following:

"SECTION 2. IC 6-2.1-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A taxpayer shall pay the gross income taxes imposed on the sale or transfer of an interest in real estate by paying the tax to the treasurer of the county in which the real estate is located. The treasurer shall stamp the instrument of transfer with a rubber stamp, supplied by the department, which marks the instrument of transfer "gross income tax paid" and provides spaces for inscribing the name of the seller or grantor, the amount and date of payment, and any other information which the department may require.

(b) The county treasurer shall remit the proceeds to the department on the ~~fifteenth~~ **twentieth** day of January, April, July, and October for the preceding quarterly period.

(c) If the department determines that the average monthly amount due for the preceding year exceeds ten thousand dollars ($10,000), the county treasurer shall pay the taxes due by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(d) As compensation for collecting the gross income tax, the county treasurer may retain one percent (1%) of any payment due to the department under this section. Any amount the county treasurer retains shall be deposited in that county's general fund.

SECTION 3. IC 6-2.5-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) An excise tax, known as the use tax, is imposed on the storage, use, or consumption of tangible personal property in Indiana if the property was acquired in a retail transaction, regardless of the location of that transaction or of the retail merchant making that transaction.

(b) The use tax is also imposed on the storage, use, or consumption of a vehicle, an aircraft, or a watercraft if the vehicle, aircraft, or watercraft:

(1) is acquired in a transaction that is an isolated or occasional sale; and

(2) is required to be titled, licensed, or registered by this state for use in Indiana.

(c) The use tax is imposed on the addition of tangible personal property to a structure or facility if, after its addition, the property becomes part of the real estate on which the structure or facility is located. However, the use tax does not apply to additions of tangible personal property described in this subsection if:

(1) the state gross retail or use tax has been previously imposed on the sale or use of that property or

(2) the ultimate purchaser or recipient of that property would have been exempt from the state gross retail and use taxes if that purchaser or recipient had directly purchased the property from the supplier for addition to the structure or facility.

(d) Notwithstanding any other provision of this section, the use tax is not imposed on the keeping, retaining, or exercising of any right or power over tangible personal property if:

(1) the property is delivered ~~into~~ **from within or outside** Indiana by or for the purchaser of the property;

(2) the property is delivered ~~in~~ **from within or outside** Indiana for the sole purpose of being processed, printed, fabricated, or manufactured into, attached to, or incorporated into other tangible personal property; and

(3) the property is subsequently transported out of state for use solely outside Indiana.".

Page 2, delete lines 34 through 42.

Delete page 3.

Page 4, delete lines 1 through 16 and insert the following:

"liable for collecting the state gross retail or use tax shall ~~file a return for each calendar month and~~ pay the state gross retail and use taxes that the person collects during ~~that~~ **each calendar** month. **The payment shall be made not later than twenty (20) days after the end of the following month.** A person shall file the person's return ~~for a particular month~~ with the department ~~and make the person's tax payment for that month to the department not more than thirty (30) days after the end of that month, if that person's average monthly liability for collections of state gross retail and use taxes under this section as determined by the department for the preceding calendar year did not exceed one thousand dollars ($1,000). If a person's average monthly liability for collections of state gross retail and use taxes under this section as determined by the department for the preceding calendar year exceeded one thousand dollars ($1,000), that person shall file the person's return for a particular month and make the person's tax payment for that month to the department not more than twenty (20) days after the end of that month.~~ **for each calendar quarter. The return shall be filed not later than thirty (30) days after the end of each quarter.**

(b) If a person files a combined sales and withholding tax report and either this section or IC 6-3-4-8.1 requires sales or withholding tax reports to be filed and remittances to be made within twenty (20) days after the end of each month, then the person shall file the combined report and remit the sales and withholding taxes due within twenty (20) days after the end of each month.

~~(b) Instead of twelve (12) monthly reporting periods required under subsection (a), the department may permit a person to divide a year into a different number of reporting periods. Each return and payment for~~

~~those reporting periods is due not more than thirty (30) days after the end of the respective period.~~

(c) Instead of the reporting periods required under subsection (a), the department may permit a retail merchant to report and pay the merchant's state gross retail and use taxes for a period covering:

(1) a calendar year, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does not exceed ten dollars ($10); **or**

(2) a calendar half year, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does not exceed twenty-five dollars ($25). ~~or~~

~~(3) a calendar quarter, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does not exceed seventy-five dollars ($75).~~

A retail merchant using a reporting period allowed under this subsection must file the merchant's return and pay the merchant's tax for a reporting period no later than ~~the last day of the month immediately~~ **twenty (20) days** following the close of that reporting period.

(d) If a retail merchant reports the merchant's gross income tax, or the tax the merchant pays in place of the gross income tax, over a fiscal year or fiscal quarter not corresponding to the calendar year or calendar quarter, the merchant may, without prior departmental approval, report and pay the merchant's state gross retail and use taxes over the merchant's fiscal period that corresponds to the calendar period the merchant is permitted to use under subsection (c). However, the department may, at any time, require the retail merchant to stop using the fiscal reporting period.

(e) If a retail merchant files a combined sales and withholding tax report, the reporting period for the combined report is the shortest period required under:

(1) this section;

(2) IC 6-3-4-8; or

(3) IC 6-3-4-8.1.

(f) If the department determines that a person's:

(1) estimated monthly gross retail and use tax liability for the current year; or

(2) average monthly gross retail and use tax liability for the

preceding year;

exceeds, **before January 1, 2000,** ten thousand dollars ($10,000) **or, after December 31, 1999, five thousand dollars ($5,000),** the person shall pay the monthly gross retail and use taxes due by electronic fund transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.".

Page 4, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 3. IC 6-3-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 11. (a) The term "Internal Revenue Code" means the Internal Revenue Code of 1986 of the United States as amended and in effect on January 1, ~~1998.~~ **1999.**

(b) Whenever the Internal Revenue Code is mentioned in this article, the particular provisions that are referred to, together with all the other provisions of the Internal Revenue Code in effect on January 1, ~~1998,~~ **1999,** that pertain to the provisions specifically mentioned, shall be regarded as incorporated in this article by reference and have the same force and effect as though fully set forth in this article. To the extent the provisions apply to this article, regulations adopted under Section 7805(a) of the Internal Revenue Code and in effect on January 1, ~~1998,~~ **1999,** shall be regarded as rules adopted by the department under this article, unless the department adopts specific rules that supersede the regulation.

(c) An amendment to the Internal Revenue Code made by an act passed by Congress before January 1, ~~1998,~~ **1999,** that is effective for any taxable year that began before January 1, ~~1998,~~ **1999,** and that affects:

(1) individual adjusted gross income (as defined in Section 62 of the Internal Revenue Code);

(2) corporate taxable income (as defined in Section 63 of the Internal Revenue Code);

(3) trust and estate taxable income (as defined in Section 641(b) of the Internal Revenue Code);

(4) life insurance company taxable income (as defined in Section 801(b) of the Internal Revenue Code);

(5) mutual insurance company taxable income (as defined in

Section 821(b) of the Internal Revenue Code); or

(6) taxable income (as defined in Section 832 of the Internal Revenue Code);

is also effective for that same taxable year for purposes of determining adjusted gross income under IC 6-3-1-3.5 and net income under IC 6-3-8-2(b).

SECTION 4. IC 6-3-2.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. As used in this chapter, "Indiana total income" means the sum of the following for an individual taxpayer, and if the individual taxpayer files a joint return, the individual taxpayer's spouse, for a taxable year:

(1) Adjusted gross income (as defined in Section 62 of the Internal Revenue Code).

(2) Taxes deducted on a federal income tax return, as described in IC 6-3-1-3.5(a)(2).

(3) Any net operating loss carried forward from a prior year and reported on the taxpayer's federal income tax return for the taxable year.

(4) The total ordinary income portion of a lump sum distribution described in ~~IC 6-3-1-3.5(a)(6).~~ **IC 6-3-1-3.5(a)(7).**

(5) Any other taxable income not described in subdivision (1).

SECTION 5. IC 6-3-2.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 4. As used in this chapter, "qualifying child" means an individual ~~who:~~

~~(1) is the child, stepchild, or foster child of the individual taxpayer;~~

~~(2) resides in Indiana with the individual taxpayer, including the individual taxpayer's spouse in the case of a joint return, for more than one-half (1/2) of the taxable year;~~

~~(3) is dependent on the individual taxpayer, including the individual taxpayer's spouse in the case of a joint return, for more than one-half (1/2) of the individual's support;~~

~~(4) is less than nineteen (19) years of age on the last day of the taxable year; and~~

~~(5) is not married on the last day of the taxable year.~~

for whom the taxpayer is entitled to an exemption under Section 151(c)(1)(B) of the Internal Revenue Code.".

Page 21, between lines 39 and 40, begin a new paragraph and insert:

"SECTION 28. IC 6-8-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 2. As used in this chapter, "dependent" means any of the following:

(1) The spouse of an employee.

(2) An employee's child ~~who is one (1) of the following:~~

~~(A) Less than nineteen (19) years of age.~~

~~(B) Less than twenty-three (23) years of age and enrolled as a full-time student at an accredited college or university.~~

~~(C) Legally entitled to the provision by the employee of proper or necessary subsistence, education, medical care, or other care necessary for the child's health, guidance, or well-being, and not otherwise emancipated, self-supporting, married, or a member of the armed forces of the United States.~~

~~(D) Mentally or physically incapacitated to the extent that the child is not self-sufficient.~~ **for whom the taxpayer is entitled to an exemption under Section 151(c)(1)(B) of the Internal Revenue Code.**

SECTION 29. IC 6-8.1-3-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 19. The department shall print and include a voter registration form designed by the Indiana election commission under IC 3-7-23 in ~~each~~ **any** state adjusted gross income tax booklet that is **not** mailed to a taxpayer. ~~using a preprinted mailing label with an Indiana address.~~

SECTION 30. IC 6-8.1-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 5. ~~(a)~~ The department shall request from each taxpayer

~~(1) vehicle identification information for vehicles owned by the taxpayer; and~~

~~(2)~~ the amount of the taxpayer's gross income (as defined in Section 61 of the Internal Revenue Code) derived from sources within or outside Indiana using the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. The taxpayer shall itemize the amount of gross income derived from each source.

~~(b) The department shall send a list to the bureau of motor vehicles showing by taxpayer the vehicle identification information obtained by~~

~~the department. However, the name, tax identification number, and the corresponding information sent to the bureau may not include income tax information.~~

SECTION 31. IC 6-8.1-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) The department may compile statistical studies from information derived from state tax returns and may disclose the results of those studies. In addition, the department may disclose statistical information from the state tax returns to the governor, the general assembly, or another state agency, for the purpose of allowing those governmental entities to conduct their own statistical studies. **The department shall compile data on business income, including income reported on an individual tax return. The data shall be organized in a manner that allows the data to be selected by type of business activity, federal tax status, and category of income regardless of the return used to report the income. The department shall make the data available to the legislative services agency and the budget agency in electronic database format for their use in doing studies of business income taxation.**

(b) Notwithstanding subsection (a), the department may not disclose the results of any study and may not disclose any statistical information if, as a result of that disclosure:

(1) the identity of a taxpayer who filed a return would be disclosed;

(2) the identity of a taxpayer could reasonably be associated with any of the information which was derived from his return for use in a statistical study; or

(3) the ability of the department to obtain information from federal tax returns would, in the department's judgment, be jeopardized in any manner.

(c) Subject to the rules and regulations of the department, a person may request information as to whether an individual filed an income tax return pursuant to the Indiana income tax laws for a particular taxable year. However, the department may not disclose that information with respect to any taxable year until the close of the calendar year following the year in which the return should have been filed. As soon as practicable after the close of that calendar year, the department shall inform the person making the request whether the return was filed.

SECTION 32. IC 6-8.1-9.5-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 14. (a) The department may enter into an agreement with the Secretary of the Treasury of the United States under Section 6402 of the Internal Revenue Code to recover past due, legally enforceable state income tax obligations owed to Indiana.**

(b) The department may enter into an agreement with the Secretary of the Treasury of the United States to set off refunds to recover past due, legally enforceable federal income tax obligations owed by Indiana residents. Only section 12 of this chapter applies to an agreement under this subsection.

SECTION 33. IC 6-8.1-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. (a) If a person fails to file a return for any of the listed taxes, fails to pay the full amount of tax shown on his return by the due date for the return or the payment, or incurs a deficiency upon a determination by the department, the person is subject to interest on the nonpayment.

(b) The interest for a failure described in subsection (a) is the adjusted rate established by the commissioner under subsection (c), from the due date for payment. The interest applies to:

(1) the full amount of the unpaid tax due if the person failed to file the return;

(2) the amount of the tax that is not paid, if the person filed the return but failed to pay the full amount of tax shown on the return; or

(3) the amount of the deficiency.

(c) The commissioner shall establish an adjusted rate of interest for a failure described in subsection (a) and for an excess tax payment on or before November 1 of each year. For purposes of subsection (b), the adjusted rate of interest shall be the percentage rounded to the nearest whole number that equals two (2) percentage points above the average investment yield on state money for the state's previous fiscal year, excluding pension fund investments, as published in the auditor of state's comprehensive annual financial report. For purposes of IC 6-8.1-9-2(c), the adjusted rate of interest for an excess tax payment is the percentage rounded to the nearest whole number that equals the average investment yield on state money for the state's previous fiscal year, excluding pension fund investments, as published in the auditor of state's comprehensive annual financial report. The adjusted rates of interest established under this subsection shall take effect on January 1 of the immediately succeeding year.

(d) For purposes of this section, the filing of a substantially blank or unsigned return does not constitute a return.

(e) ~~Except as provided by IC 6-8.1-5-2(e)(2),~~ The department may not waive the interest imposed under this section.

(f) Subsections (a) through (c) do not apply to a motor carrier fuel tax return.".

Page 56, between lines 32 and 33, begin a new paragraph and insert:

"SECTION 76. IC 8-2.1-24-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. This chapter applies to the certification of a motor carrier providing intrastate transportation by motor vehicle of property **or passengers** for compensation.

SECTION 77. IC 8-2.1-24-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. Section 18 of this chapter applies to the regulation of the following persons:

(1) A motor carrier described in section 1 of this chapter.

(2) A private carrier of property **or passengers**.

SECTION 78. IC 8-2.1-24-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. Except as provided in section 18 of this chapter, this chapter does not apply to the following:

(1) Motor vehicles used exclusively for carrying United States mail.

(2) Motor vehicles while being used or operated under the control, direction, and supervision of:

(A) the United States government, the state, or a political subdivision; or

(B) the board of trustees of a state institution.

(3) Motor vehicles while transporting supplies, livestock feed ingredients, fertilizer, or fertilizing materials that are in transit to or from farms.

(4) Motor vehicles:

(A) controlled and operated by a farmer when used in the transportation of the farmer's agricultural commodities and products of those commodities or in the transportation of supplies to the farm;

(B) controlled and operated by a nonprofit agricultural cooperative association (or by a federation of agricultural cooperative associations if the federation does not possess greater powers or purposes than the cooperative associations);

(C) used in carrying property consisting of livestock or agricultural commodities (not including manufactured products) if the motor vehicles are not used in carrying:

(i) other property;

(ii) agricultural commodities; or

(iii) passengers;

for compensation; or

(D) used in carrying livestock feed or feed ingredients, if those products are transported to a site of agricultural productions or to a business enterprise engaged in the sale of agricultural goods to a person engaged in agricultural production.

This chapter shall not be construed to apply to motor vehicles owned, leased, controlled, or operated by a nonprofit cooperative association, either incorporated or unincorporated, that was in existence on July 6, 1961.

(5) The casual, occasional, or reciprocal transportation of household effects or furniture for compensation, not including the transportation for hire of new household effects or furniture to or from a factory, warehouse, or store, by a person who does not otherwise engage in the type of transportation for compensation or who is not required by this chapter to hold a certificate or permit to engage in the transportation or operation for hire who does not profess to engage in the business of transporting household effects or furniture for hire.

(6) Motor vehicles, commonly known as armored cars, used exclusively to transport, under written bilateral contract, coin, currency, bullion, securities, precious metals, jewelry, precious stones, money, legal tender, stocks and bonds, negotiable and nonnegotiable instruments and securities, postage and revenue stamps, and other valuable documents and rare objects.

(7) Trucks with a declared gross weight of not more than

forty-eight thousand (48,000) pounds, transporting nonliquid bulk or bag fertilizers.

(8) Motor vehicles while being used to transport chemicals that are used to melt ice and packed snow on roads and streets if the chemicals are owned by and being delivered to the state or a political subdivision for use on roads and streets.

(9) Trucks with a declared gross weight of not more than forty-six thousand (46,000) pounds transporting aggregate materials (mineral or rock fragments) in bulk when the person providing the transportation owns or leases not more than one (1) truck for those purposes.

~~(10) Motor vehicles used for the transportation of household goods.~~

SECTION 79. IC 8-2.1-24-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 4. The department may:

(1) certify a motor carrier providing transportation of property **or passengers** for compensation; ~~and~~

(2) regulate and supervise safety, insurance, methods, and hours of operation of a motor carrier providing transportation of property **or passengers; and**

(3) impose a uniform fee on all carriers for establishing and administering the certification process created under this chapter.

SECTION 80. IC 8-2.1-24-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 15. A motor carrier may not operate a motor vehicle in the transportation of property **or passengers** upon a public highway in intrastate commerce until the motor carrier has:

(1) submitted forms approved by the department to be a properly certified motor carrier; and

(2) been issued an acknowledgment by the department.

An acknowledgment issued under subdivision (2) remains in effect until December 31 of the year in which the acknowledgment is issued.

SECTION 81. IC 8-2.1-24-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 17. (a) A person may not operate a motor vehicle for the transportation of property **or passengers** upon a public highway, and a motor carrier may not be certified, unless the motor carrier complies with the rules adopted by the department governing the filing and approval of surety bonds, policies of insurance, qualifications of a self-insurer, or other securities or agreements.

(b) A surety bond, policy of insurance, self-insurance, or security or other agreement approved under this section must be of a reasonable amount and conditioned to pay, within the amount of the surety bond, policy of insurance, self-insurance, or security or other agreement, a final judgment recovered against the motor carrier for bodily injuries to or the death of any person resulting from the negligent operation, maintenance, or use of the motor carrier's registered motor vehicle, or for loss or damage to property of others.

SECTION 82. IC 8-2.1-24-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 18. (a) 49 CFR Parts 382, 385 through 387, 390 through 393, and 395 through 398 ~~is~~ **are** incorporated into Indiana law by reference, and, except as provided in subsections (d), (e), (f), and (g), must be complied with by an interstate and intrastate motor carrier of persons or property throughout Indiana. Intrastate motor carriers subject to compliance reviews under 49 CFR 385 shall be selected according to criteria determined by the superintendent which must include but is not limited to factors such as previous history of violations found in roadside compliance checks and other recorded violations. However, the provisions of 49 CFR 395 that regulate the hours of service of drivers, including requirements for the maintenance of logs, do not apply to a driver of a truck that is registered by the bureau of motor vehicles and used as a farm truck under IC 9-18, or a vehicle operated in intrastate construction or construction related service, or the restoration of public utility services interrupted by an emergency. Intrastate motor carriers not operating under authority issued by the United States Department of Transportation shall comply with the requirements of 49 CFR 390.21(b)(3) by registering with the department of state revenue as an intrastate motor carrier and displaying the certification number issued by the department of state revenue preceded by the letters "IN". All other requirements of 49 CFR 390.21 apply equally to interstate and intrastate motor carriers.

(b) 49 CFR 107 subpart F and subpart (G), 171 through 173, 177 through 178, and 180, is incorporated into Indiana law by reference, and every:

(1) private carrier;

(2) common carrier;

(3) contract carrier;

(4) motor carrier of property **or passengers,** intrastate;

(5) hazardous material shipper; and

(6) carrier otherwise exempt under section 3 of this chapter;

must comply with the federal regulations incorporated under this subsection, whether engaged in interstate or intrastate commerce.

(c) Notwithstanding subsection (b), nonspecification bulk and nonbulk packaging, including cargo tank motor vehicles, may be used only if all the following conditions exist:

(1) The maximum capacity of the vehicle is less than three thousand five hundred (3,500) gallons.

(2) The shipment of goods is limited to intrastate commerce.

(3) The vehicle is used only for the purpose of transporting fuel oil, kerosene, diesel fuel, gasoline, gasohol, or any combination of these substances.

All additional federal standards for the safe transportation of hazardous materials apply until July 1, 2000. After June 30, 2000, the maintenance, inspection, and marking requirements of 49 CFR 173.8 and Part 180 are applicable. In accordance with federal hazardous materials regulations, new or additional nonspecification cargo tank motor vehicles may not be placed in service under this subsection after June 30, 1998.

(d) For the purpose of enforcing this section, only:

(1) a state police officer or state police motor carrier inspector who:

(A) has successfully completed a course of instruction approved by the Federal Highway Administration; and

(B) maintains an acceptable competency level as established by the state police department; or

(2) an employee of a law enforcement agency who:

(A) before January 1, 1991, has successfully completed a course of instruction approved by the Federal Highway Administration; and

(B) maintains an acceptable competency level as established by the state police department;

on the enforcement of 49 CFR, may, upon demand, inspect the books, accounts, papers, records, memoranda, equipment, and premises of any carrier, including a carrier exempt under section 3 of this chapter.

(e) A person hired before September 1, 1985, who operates a motor vehicle intrastate incidentally to the person's normal employment duties and who is not employed as a chauffeur (as defined in IC 9-13-2-21(a)) is exempt from 49 CFR 391 as incorporated by this section.

(f) Notwithstanding any provision of 49 CFR 391 to the contrary, a person at least eighteen (18) years of age and less than twenty-one (21) years of age may be employed as a driver to operate a commercial motor vehicle intrastate. However, a person employed under this subsection is not exempt from any other provision of 49 CFR 391.

(g) Notwithstanding subsection (b), the following provisions of 49 CFR do not apply to private carriers of property **or passengers** operated only in intrastate commerce or any carriers of property **or passengers** operated only in intrastate commerce while employed in construction or construction related service:

(1) Subpart 391.41 as it applies to physical qualifications of drivers hired before September 1, 1985.

(2) Subpart 391.41(b)(3) as it applies to physical qualifications of a driver who has held a commercial driver's license (as defined in IC 9-13-2-29) before April 1, 1992, diagnosed as an insulin dependent diabetic, if the driver has filed an annual statement with the bureau of motor vehicles completed, and signed by a certified endocrinologist attesting that the driver:

(A) is otherwise physically qualified under Subpart 391.41 to operate a motor vehicle and is not likely to suffer any diminution in driving ability due to the driver's diabetic condition;

(B) is free of severe hypoglycemia or hypoglycemia unawareness, and has had less than one (1) documented, symptomatic hypoglycemic reaction per month;

(C) has demonstrated the ability and willingness to properly monitor and manage the driver's diabetic condition;

(D) has agreed to and, to the endocrinologist's knowledge, has carried a source of rapidly absorbable glucose at all times while driving a motor vehicle, has self monitored blood glucose levels one (1) hour before driving and at least once every four (4) hours while driving or on duty before driving using a portable glucose monitoring device equipped with a computerized memory; and

(E) has submitted the blood glucose logs from the monitoring device to the endocrinologist at the time of the annual medical examination.

A copy of the blood glucose logs shall be filed along with the annual statement from the endocrinologist with the bureau of motor vehicles for review by the driver licensing advisory committee established under IC 9-14-4. A copy of the annual statement shall also be provided to the driver's employer for retention in the driver's qualification file and a copy shall be retained and held by the driver while driving for presentation to an authorized federal, state, or local law enforcement official.

(3) Subpart 396.9 as it applies to inspection of vehicles carrying or loaded with a perishable product. However, this exemption does not prohibit a law enforcement officer from stopping these vehicles for an obvious violation that poses an imminent threat of an accident or incident. The exemption is not intended to include refrigerated vehicles loaded with perishables when the refrigeration unit is working.

(4) Subpart 396.11 as it applies to driver vehicle inspection reports.

(5) Subpart 396.13 as it applies to driver inspection.

(h) For purposes of 49 CFR 395.1(l), "planting and harvesting season" refers to the period between January 1 and December 31 of each year. The intrastate commerce exception set forth in 49 CFR 395.1(l), as it applies to the transportation of agricultural commodities and farm supplies, is restricted to single vehicles and cargo tank motor vehicles with a capacity of not more than five thousand four hundred (5,400) gallons.

(i) The superintendent of state police may adopt rules under IC 4-22-2 governing the parts and subparts of 49 CFR incorporated by reference under this section.

SECTION 83. IC 8-2.1-24-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 20. Before a motor carrier engaged in the transportation of property for compensation may operate a motor vehicle upon a public highway providing intrastate transportation, the motor carrier must be properly registered as required under the single state registration system in accordance with rules adopted by the department under IC 4-22-2. This section does not apply to a person exclusively engaged in the private transportation of property **or passengers.**

SECTION 84. IC 8-2.1-24-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 25. (a) The department or the state police department may impound a motor vehicle operated for hire if:

(1) the motor carrier of property **or passengers** has not obtained the required certification from the department; and

(2) the vehicle is being operated on an Indiana highway.

(b) To obtain possession of a motor vehicle impounded under subsection (a), the motor carrier that operates the motor vehicle must either:

(1) obtain the required certification from the department; or

(2) remove from the vehicle all cargo for which the required certification has not been obtained.

(c) If the motor carrier that operates a motor vehicle impounded under subsection (a) is not the owner of the vehicle, the department or the state police department shall release the motor vehicle to the owner unless the owner was aware that the motor vehicle was being operated without the required certification.

(d) Cargo held in a motor vehicle impounded under subsection (a) must be released if the cargo is loaded into a motor vehicle operated in compliance with this chapter.

SECTION 85. IC 9-18-26-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 10. (a) The bureau may issue an interim license plate to a dealer or manufacturer who is licensed and has been issued a license plate under section 1 of this chapter.

(b) The bureau shall prescribe the form of an interim license plate issued under this section. However, a plate must bear the assigned registration number and provide sufficient space for the expiration date as provided in subsection (c).

(c) Whenever a dealer or manufacturer sells a motor vehicle, the dealer or manufacturer may provide the buyer with an interim license plate. The dealer shall, in the manner provided by the bureau, affix on the plate in numerals and letters at least three (3) inches high the date on which the interim license plate expires.

(d) An interim license plate authorizes a motor vehicle owner to operate the vehicle for a maximum period of thirty-one (31) days after the date of delivery of the vehicle to the vehicle's owner or until a regular license plate is issued, whichever occurs first.

(e) A motor vehicle that is required by law to display license plates on the front and rear of the vehicle is only required to display a single interim plate.

(f) A dealer, manufacturer, or employee of a dealer or manufacturer may not sell or loan an interim license plate to another dealer, manufacturer, or employee of a dealer or manufacturer.

SECTION 86. IC 34-55-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) This section does not apply to judgments obtained before October 1, 1977.

(b) The following property of a judgment debtor domiciled in Indiana is not subject to levy or sale on execution or any other final process from a court, for a judgment founded upon an express or implied contract or a tort claim:

(1) Real estate or personal property constituting the personal or family residence of the judgment debtor or a dependent of the judgment debtor, or estates or rights in that real estate or personal property, of not more than seven thousand five hundred dollars ($7,500). The exemption under this subsection is individually available to joint judgment debtors concerning property held by them as tenants by the entireties.

(2) Other real estate or tangible personal property of four thousand dollars ($4,000).

(3) Intangible personal property, including choses in action (but excluding debts owing and income owing), of one hundred dollars ($100).

(4) Professionally prescribed health aids for the judgment debtor or a dependent of the judgment debtor.

(5) Any interest that the judgment debtor has in real estate held as a tenant by the entireties on the date of the filing of the petition for relief under the bankruptcy code, unless a joint petition for relief is filed by the judgment debtor and spouse, or individual

petitions of the judgment debtor and spouse are subsequently consolidated.

(6) An interest, whether vested or not, that the judgment debtor has in a retirement plan to the extent of:

(A) contributions, or portions of contributions, that were made to the retirement plan:

(i) by or on behalf of the debtor; and

(ii) which were not subject to federal income taxation to the debtor at the time of the contribution;

(B) earnings on contributions made under clause (A) that are not subject to federal income taxation at the time of the judgment; and

(C) roll-overs of contributions made under clause (A) that are not subject to federal income taxation at the time of the judgment.

(7) Money that is in a medical care savings account established under IC 6-8-11.

(8) An interest, including:

(A) contributions;

(B) portions of contributions; and

(C) earnings on contributions;

whether vested or not, that the judgment debtor has in a retirement plan if contributions to the retirement plan are subject to federal income tax to the debtor, but earnings on contributions to the plan are not subject to federal income tax to the debtor.

(c) The total value of the property exempted under subsection (b)(1) through (b)(3) may not exceed ten thousand dollars ($10,000).

(d) Real estate or personal property upon which a debtor has voluntarily granted a lien is not, to the extent of the balance due on the debt secured by the lien:

(1) subject to this chapter; or

(2) exempt from levy or sale on execution or any other final process from a court.

SECTION 87. IC 36-7-31.3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. **(a)** A city or county legislative body may establish as part of a professional sports and convention development area any facility that is:

(1) owned by the city, the county, a school corporation, or a board under IC 36-10-8, IC 36-10-10, or IC 36-10-11 and used by a professional sports franchise; or

(2) owned by the city, the county, or a board under IC 36-10-8, IC 36-10-10, or IC 36-10-11 and used **principally** for convention or tourism related events **serving national or regional markets.**

The tax area must include at least one (1) facility described in subdivision (1). The tax area may include only facilities described in this section and any parcel of land on which the facility is located. An area may contain noncontiguous tracts of land within the city or county.

(b) The tax area may contain facilities not owned by the designating body, if:

(1) the facility is owned by the city, the county, or a board established under IC 36-10-8, IC 36-10-10, or IC 36-10-11; and

(2) an agreement exists specifying the distribution and uses of the covered taxes to be allocated under this chapter.

SECTION 88. IC 36-7-31.3-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 17. The department shall notify the county auditor of the amount of taxes to be distributed to the county treasurer. **For tax areas covered by section 8(c) of this chapter, the department shall notify the county auditor of the amount of taxes to be distributed to each participant in the agreement specifying the distribution and uses of covered taxes to be allocated under this chapter.**

SECTION 89. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2000]: IC 6-8.1-10-11; IC 8-2.1-22.

SECTION 90. [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)] **IC 6-3-2.5-4 and IC 6-8-11-2, both as amended by this act, and IC 6-8.1-9.5-14, as added by this act, apply to taxable years beginning after December 31, 1998.**

SECTION 91. [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)] **IC 6-3-1-11, as amended by this act, applies to taxable years beginning after December 31, 1998.**".

Page 56, line 33, delete "This" and insert "**Except as otherwise provided by this act,**".

Page 56, after line 35, begin a new paragraph and insert:

"SECTION 93. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.
(Reference is to HB 1868 as introduced.)

and when so amended that said bill do pass.

Representative Bauer